

# Hegemony and all that stuff

*Rise, like lions after slumber  
In unvanquishable number!  
Shake your chains to earth like dew  
Which in sleep had fallen on you:  
Ye are many—they are few.*

*Hegemony - the way in which dominant groups in society maintain their dominance by securing the spontaneous consent of subordinate groups, including the working class, through the negotiated construction of a political, ideological and economic consensus which incorporates both dominant and subordinate groups.*

*Historic bloc - the degree of historical congruence between material forces, institutions and ideologies and more specifically the alliance of different class forces politically organised around a set of hegemonic ideas and structures that give strategic direction and coherence to its constituent elements.*

The concept of hegemony was proposed by Gramsci to solve the problem which had beset all European radicals, particularly Marxists, for decades; why the subordinate working class failed to overthrow the dominant capitalist class even after its own oppression and exploitation had been endlessly revealed, why even then they failed to follow Shelley's impassioned words written in 1819 despite being many and knowing that 'they were few'.

It needs to be acknowledged that, even as it provides a conceptual basis for resolving this conundrum, hegemony remains a somewhat mysterious process, something which has always bothered some Marxists who want to retain some form of economic determinism. The problem in part lies in the heart of the definition that hegemony is both "spontaneous" and the result of "negotiated...consensus". It remains hard to see how negotiation and spontaneity can coexist though there is no doubt that both are involved. A common trap is that hegemony is largely a cleverly constructed political programme. Historically, such a programme has often been part of the formation of a new hegemonic formation — think for example of the Beveridge Report in 1944 as part of the British postwar settlement. However, such a specifically political project is invariably the culmination or at least part of a process rather than an initiation.

Over eighty years have passed since Gramsci's original formulation and we are able, with the benefit of extended hindsight, to see how hegemony itself often carries seeds of its own instability in ways which sometimes are reminiscent of the way Marx believed that capitalist economic formations carry within themselves the seeds of their own destruction. The problem is that such instability is both more complex and also more unpredictable than any simple economic crisis.

Hegemonic domination is, of course, not confined to the capitalist era. It can be seen in some form, often religious, extending back to the Pharaohs. However, capitalism probably shows greater instability and shifts than previous eras so it is useful to engage in a quick gallop through the last hundred and fifty or so years, before considering the current crisis, even though this risks considerable elision and gross simplification.

## Democratic hegemony: where it all started

The obvious starting point is 1848, the Year of Revolution, when there were popular uprisings in various forms across over 50 countries following a turbulent decade. Britain had its own, more decorous, form of uprising in the shape of Chartism. Virtually all of these uprisings were defeated, often with great bloodshed but it clearly marked the moment in which the dominant class accepted that the repressive techniques which had hitherto marked class control had to be modified. The use of these in Britain in the thirty years after Peterloo is wonderfully illustrated in paintings of the mass Chartist gatherings in remote hill sanctuaries held where no militia horses could pursue them.



Here they are in 1842 at the Basin Stone near Todmorden.

No one seems to have any good understanding of just how or why there was such simultaneity across countries when there is no real evidence of any overt linkages. It does illustrate the spontaneous aspect of the formation of any new hegemony. At the time, the bloody defeats in 1848 were seen as major setbacks for developing socialist movements but they set in train the process of negotiation into what can be called the era of democratic hegemony, which included the gradual concession of manhood suffrage, trade union rights and the development of parties representing the working class though always with unevenness and retreats. This long period of sixty years or so in which consensual democracy replaced physical repression is what would have informed Gramsci's views on hegemony and still represents the longest period of relative social stability in the capitalist era, surviving as it did the unification of Italy and Germany, several wars, including civil war in the USA, and the rise of mass social democracy and trade unions.

It was destroyed by WWI without any real signs of systemic instability epitomised by the complete failure of revolutionary Marxists like Luxemburg and Liebknecht to organise any international opposition to war based upon working-class solidarity. There were some signs that the democratic consensus was breaking down in areas such as women's suffrage but essentially it was the failure

of international capitalism to overcome national and imperial conflict which doomed this long period of hegemonic stability.

It produced a rather rose-tinted memory of what, in Britain, is now called the Edwardian epoch epitomised by a passage in Scott Fitzgerald's 1934 novel *Tender is the Night* in which an American couple visit a WWI battlefield. It remains as a perfect evocation of just how complex is the formation of hegemonic domination,

*"See that little stream — we could walk to it in two minutes. It took the British a month to walk to it — a whole empire walking very slowly, dying in front and pushing forward behind. And another empire walked very slowly backward a few inches a day, leaving the dead like a million bloody rugs. No Europeans will ever do that again in this generation..."*

*The young men think they could do it but they couldn't. They could fight the first Marne again but not this. This took religion and years of plenty and tremendous sureties and the exact relation that existed between the classes. The Russians and Italians weren't any good on this front. You had to have a whole-souled sentimental equipment going back further than you could remember. You had to remember Christmas, and postcards of the Crown Prince and his fiancée, and little cafés in Valence and beer gardens in Unter den Linden and weddings at the mairie, and going to the Derby, and your grandfather's whiskers."*

*"General Grant invented this kind of battle at Petersburg in sixty-five."*

*"No, he didn't — he just invented mass butchery. This kind of battle was invented by Lewis Carroll and Jules Verne and whoever wrote Undine, and country deacons bowling and marraines in Marseilles and girls seduced in the back lanes of Wurtemberg and Westphalia. Why, this was a love battle — there was a century of middle-class love spent here. This was the last love battle."*

## **The second hegemonic crisis: economic and political decay**

This war broke the long-lasting 'democratic hegemony' and ushered back the old fear announced in 1847 in the *Communist Manifesto* that:

*A spectre is haunting Europe — the spectre of communism. All the powers of old Europe have entered into a holy alliance to exorcise this spectre: Pope and Tsar, Metternich and Guizot, French Radicals and German police-spies.*

*Where is the party in opposition that has not been decried as communistic by its opponents in power? Where is the opposition that has not hurled back the branding reproach of communism, against the more advanced opposition parties, as well as against its reactionary adversaries?*

Of course Marx and his allies were, at the time, quite wrong in their estimation of the power of revolution and of their own words. According to Eric Hobsbawm, "*By the middle 1860s virtually nothing that Marx had written in the past was any longer in print.*"<sup>1</sup> Only in one respect were Marx and Engels proved right; the ability of opposition parties to split based upon accusations of leftism and rightism.

However, in one way, 1919 was the postscript to 1848. The Russian revolution opened up a concrete vision of a new form of society; the social democratic opposition parties in most of Europe finally split into their revolutionary and reformist factions and there were short-lived workers states set up in Hungary and southern Germany. But only in Mongolia did the Mongolian People's Revolutionary Party succeed in 1921 in forming a long-lasting communist state. Instead, 1919 ushered in nearly twenty years of upheaval, economic collapse, war and what would today be

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<sup>1</sup> Eric Hobsbawm. "*On the Communist Manifesto*". *How To Change The World*, 2011

termed authoritarian populism, otherwise known as fascism. Even Britain was not immune to the upsurge of the old organs of repression with naval gunboats moored in both the Clyde and Mersey at various moments in the 1920s.

As is often the case, it was a poet who foresaw the era best when Yeats wrote in 1919:

*Turning and turning in the widening gyre  
The falcon cannot hear the falconer;  
Things fall apart; the centre cannot hold;  
Mere anarchy is loosed upon the world,  
The blood-dimmed tide is loosed, and everywhere  
The ceremony of innocence is drowned;  
The best lack all conviction, while the worst  
Are full of passionate intensity.*

...  
*And what rough beast, its hour come round at last,  
Slouches towards Bethlehem to be born?*

The era saw both political and economic crisis with the emergence of fascism in several European states and an apparent helplessness to intervene in the economic collapse of 1929.

## **Welfare hegemony: capitalism saved**

The end of WWII brought in what can be termed the 'welfare hegemony', a consensual agreement between a conjunction of forces that seemed deeply hostile to capitalism including huge Communist parties in Italy, France and Finland as well as the revival of Labour in Britain based upon a left-wing programme. As nearly a century before, the process whereby this hegemony was achieved remains rather mysterious other than the fact that the leading components of capitalism were able to look down the twin abysses of fascism and communism and realise that the former had only been defeated by alliance with the latter, an alliance which had led to half of Europe being absorbed into a Communist bloc.

The 'historic bloc' developed in the agreement allowed these a apparently hostile forces to be neutered and even incorporated inside the capitalist system. The essentials of this agreement need little rehearsal, basically the use of Keynesian economics to counter cyclical economic recession and the guaranteeing of certain minimum welfare levels. Of course, at the same time, capitalist Europe had been much diminished, a process that continued through to 1948 with the incorporation of Czechoslovakia into the Soviet bloc and the continuance of forms of authoritarian fascism in Spain and Portugal. This new hegemony applied only to a core Europe of about seven countries plus the defeated countries of Germany, Italy and Austria. It was also adopted, though in a modified form, in the USA.

The twenty-five or so years of this welfare hegemony have often been thought of as the golden years of capitalism when both recession and unemployment and the threat of communist revolution seemed to have been banished in favour of steady economic growth benefitting all sections of society. The inherent problem of this pact was the increasing penetration of the state into the functioning of capitalism. This include not just nationalisation of much basic industry but also the use of various forms of planning and economic direction to steer the economy. These included such as the French economic plans which ushered in the so-called *Trente Glorieuses*, only briefly faltering with the *événements* in 1968, the Italian Istituto per la Ricostruzione Industriale, a Fascist invention taken over in postwar Italy and much admired by British social democratic economists, and the various forms of state intervention in Britain, mostly involving nationalisation but also the National Economic Development Council set up in 1962 by a Conservative government followed by the ill-fated national plan of 1965 under Labour.

## The third hegemonic crisis: personal and political breakdown

The inevitable economic and political problems created by this penetration were summarised in 1975:

*The most general contradiction of capitalism remains that between the growing social character of production and the private appropriation of the product through the market.*

*In the period following the 2nd World War, this contradiction has developed in a number of different spheres, each marked by the increasing encroachment of conscious public control over the decreasingly effective market mechanism.*

*In the area of human life, this process of increasing public control has been able to achieve definite social and economic progress, but in each such area, the problem of the increasing incompatibility of the market mechanism with the social and economic needs created by the continuing development of the productive forces, has caused new and intractable crises to develop. These crises are insoluble because each new encroachment on the sphere of the market leaves less and less room for manoeuvre in what is left of the market economy.<sup>2</sup>*

In Britain, these crises were particularly marked by very high inflation rates created by intensive organised labour action to raise wages. However, this characterisation did to an extent draw upon the need for Marxist economists to find economic underpinning for social upheaval. What was occurring throughout Europe was more complex than any simple economic explanation. These, after all were the *anni di piombo* in Italy, the Red Army Faction in Germany and the wave of various kinds of student agitation throughout Europe.

An analysis later in the 1970s looked at the almost simultaneous events in this decade:

*The exact cause of the great international explosion of 1968 is not clear, though it was a social and political phenomenon without parallel, transcending even the Year of Revolution, 1848, in its international scope. There was certainly an element of international emulation heightened by the use, almost for the first time, of virtually instantaneous satellite TV transmissions. The images of that year still stand to mind: the NLF flags on Hue Citadel; clenched fists of black athletes in Mexico City; the CRS visors and shields appearing out of teargas clouds in Paris; bewildered Russian tank crews harassed by Prague crowds; the ruins of Detroit ghettos. Yet each of these events and the accompanying discord of a hundred cities – even London, where a Vietnam march in November 1968 was seriously seen in the leader column of the Times as being the precursor to armed uprising – was its own end point, the result of apparently dissimilar movements within quite different societies.*

*We do not propose to analyse this international shock wave except to note one factor. All the popular movements we have mentioned were failures, at least in the dimension of physical repression. Even the Tet Offensive was accounted a material defeat at the time. But each, with one exception, set in motion powerful forces for change, which, in some cases, are still progressing. The Tet Offensive broke the power of the US government to convince its own people that the price was worth the gain and initiated a deep questioning of the effectiveness of political democracy in controlling the actions of governments. In Italy and France, the Communist Parties began their climb out of the political wilderness. In the USA, the struggle against racism was given a political dimension that it had never achieved before. What they all represented – save the Tet, which lies outside this circle except in its indirect effects on the American people – was a break with certain aspects of bourgeois hegemony rather than a*

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<sup>2</sup> B. Warren and M. Prior, *Advanced Capitalism and Backward Socialism*, p. 25, Spokesman Press, 1975, <http://mikeprior.net/pdf/advanced-capitalism.pdf>

*challenge to state power. And what they demonstrated more effectively than a thousand theories was that such challenges could emerge out of popular movements; that they need not be mediated by any strata of intellectuals or party groups; that bourgeois hegemony within the political and ideological structures of society is not absolute.*<sup>3</sup>

Applying a more Gramscian analysis, we suggested a more subtle explanation than the one quoted above for the dominance of the 'welfare hegemony' and the seeds of its downfall:

*This notion of an ongoing conflict between structurally antagonistic modes of production co-existing within the same social formation is crucial to the subsequent argument. It is also necessary to be clear that the dominant mode of production is not identical with the progressive mode of production. The dominant mode may lack the capacity to resolve the major social and economic issues of the day from within its own resources. In order to sustain itself and to integrate both individual and social needs at various levels of society into a stable synthesis it may have to rely on partial and contradictory borrowings from outside itself.*

*The previous example of post-war Britain illustrates how British capitalism was enabled to survive and even, by the standards of its own historical past, to flourish, by incorporating some of the dynamics of socialism. It is this phenomenon, the pre-emptive borrowing of elements of the class enemy's programme in order to forestall revolution, for which Gramsci coined the phrase "passive revolution". The borrowed elements do not, however, become totally submerged. They do not completely lose their progressive character by virtue of being harnessed to the dominant mode. Because they derive ultimately from an antagonistic mode of production they always retain a threatening potential and remain a continuing focus of political and ideological conflict. It is hard to see how the experience of the UK since the onset of acute economic crisis in 1973-4 can be understood in any other terms. On every front of economic and social policy, from the control of the National Health Service to the control of the money supply, the most fundamental principles of social organisation and action have been locked in combat. That this combat has been fought out in the idiom of reform rather than revolution should not obscure its importance.*<sup>4</sup>

## **Neo-liberal hegemony: the victory of individualisation**

The outcome of the breakdown of welfare hegemony is too well known to need much reiteration except for two points; that the victory of what became known as neoliberalism was not inevitable and that it was not total. In 1983, the victory of what later became known as Thatcherism could probably have been resisted, at least for a time, had the Labour Party not conveniently committed suicide in 1981 just as it had done fifty years before in 1931. In the subsequent election in 1983, which resulted in a Tory landslide with a majority of 71, the Tory share of the vote actually dropped over its 1979 figure whilst the combined share of the Labour/Social Democrat/Liberal parties rose to 53%. The key hegemonic point of Thatcherism was the alleged return of power to the individual consumer, to allow individual choice as against state-dictated spending and the removal of power from institutions such as the trade-unions and local authorities. The final part of the agreement was the progressive privatisation of parts of the economy, including social housing, once seen as necessarily state-owned with generous discounts offered to purchasers of shares or freeholds.

One key statistic summarises the basis of this hegemonic agreement: in 1971, household debt was at the record low of 29.20 percent of GDP whilst in 2016 it was a little above 87% down from its

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<sup>3</sup> M. Prior and D. Purdy, *Out of the Ghetto*, p.89, Spokesman Press, Nottingham, 1979, ISBN 0 85124 245 6, <http://mikeprior.net/pdf/OutoftheGhetto.pdf>

<sup>4</sup> *ibid* p.27

record high of 97% in 2010 but increasing. Accompanying this was a prolonged attack on government expenditure from a postwar high of over 48% of GDP at the end of the 1970s down to a low of 36% in 1998.<sup>5</sup> Britain is far from alone in this piling up of household debt, in fact personal debt levels as a proportion of GDP are much lower than in many northern European countries such as Denmark.

In various ways, the collapse of the welfare hegemony and the rise of a neoliberal hegemony was mirrored throughout Europe though in different ways and degrees. The notorious *tournant de la rigueur* by the Mitterand government in 1983, accompanied by the expulsion of the Communist Party from government, is the most obvious example, a turn essentially derived from the same problem which had confounded Labour governments in the 1970s, persistent and rising inflation. The historic bloc created in all cases was essentially based upon fear, that the perceived chaos created by strong trade-unions would destroy hard-won savings and prevent individual success.

Parallel to this crisis of welfare hegemony and linked to it in some deep way was the developing crisis in Communist Europe beginning with the Prague Spring and developing through the rise of Solidarity in Poland and popular protest in the GDR. It is also notable that it was in this period that the remaining fascist states in Europe, Spain and Portugal, also broke down to be replaced by neo-liberal democracies.

That the victory was not total is shown by the ongoing problems that the current government has with the three key cornerstones of the 1945 settlement; health, education and welfare which still remain state responsibilities despite fragmentary privatisation.

## **The fourth hegemonic crisis: W(h)ither Europe**

*The crisis consists precisely in the fact that the old is dying and the new cannot be born. In this interval a great variety of morbid symptoms appear.*<sup>6</sup>

We are now in the midst of the fourth hegemonic crisis in the capitalist era if one counts the turbulent 1840s. It may or may not be encouraging for progressive politics that they seem to have come at steadily decreasing intervals; very roughly 60, 30 and 20 years. It is certainly not encouraging that war has often, in the past, been part of the breakdown. What is clear is that what we are going through is not simply an economic crisis, though certainly the financial crisis precipitated by the neoliberal hegemony and its debt-fuelled underpinning is key, but also a crisis of democracy whose outcome remains very much in the balance in Britain as much as in the rest of Europe. One of the key aspects of this breakdown is that it was first marked not so much by political unrest as by what can be loosely termed 'social unhappiness'.

The neoliberal hegemony ushered in around 1980 drew its social cohesion from the idea that freeing up individual enterprise within an unfettered market system would provide economic benefits for all even if the balance of such benefit would flow selectively to the most wealthy. It was a lie, of course, but it cast its intellectual shadow very wide particularly with regard to its inevitable world-wide dominance. Consider the then British Prime Minister, Tony Blair, speaking to his own party in 2005:

*I hear people say we have to stop and debate globalisation. You might as well debate whether autumn should follow summer... The character of this changing world is indifferent to traditions. Unforgiving of frailty. No respecter of past reputations. It has no custom and practice. It*

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<sup>5</sup> These total percentages include both direct expenditure and transfer payments, such as pensions, which are essentially income transferral mechanisms.

<sup>6</sup> A. Gramsci, *Prison Notebooks* Volume II, Notebook 3, 1930

*is replete with opportunities, but they only go to the swift to adapt, slow to complain, open, willing and able to change.*

It was this unflinching, almost messianic, belief in the inevitable dominance of neoliberalism which was, indeed remains, its most potent force, remains because despite the economic catastrophes of the aftermath of the financial crisis of 2008, neoliberalism is still the fallback mode of all international institutions and many governments, for example the newly elected leader of France, Emmanuel Macron.

The economic faults of neoliberalism, particularly its blind faith in unregulated markets, have been thoroughly picked over. Its social consequences have been less well-analysed but they are, in some ways, even more devastating and pervasive. In 2007, a group of British socialists produced an analysis of what they saw as social crisis in Britain under the title *Feelbad Britain*.<sup>7</sup> This opening lines of this were:

*The starting point for this analysis of contemporary British society is simple: the observation that in an era of apparently unprecedented overall material prosperity and economic stability, people seem to feel no better than before and quite possibly worse. Obviously the “feel-bad factor” affects us all in different ways and to different degrees, but there is enough of it about to suggest a general trend across society, amounting to what we would characterise as a crisis in social relations and others have called a “social recession”. We are a society of people who don’t appear to like themselves or each other very much. Twenty-first century Britain, our country, is afflicted with a deep-seated and widespread social malaise.*

They went on to characterise various aspects of this crisis, for example growing rates of mental illness drawing particularly on the work of Richard Layard:

*Layard’s group at the London School of Economics observed that “crippling depression and chronic anxiety are the biggest causes of misery in Britain today”, with one in six so suffering. This is the view not only of this one group. You can tell a lot about a society from the health of its children. According to another appraisal, there are “sharply rising rates of depression and behavioural problems among under-17s. This year, the British Medical Association reported that more than 10% of 11- to 16- year-olds have a mental disorder sufficiently serious to affect their daily lives. At any one time, a million children are experiencing problems ranging from depression to violence and self-harm. What is truly sobering is how abruptly these problems have arisen. The incidence of depression in children was almost flat from the 1950s until the ‘70s. A steep rise began in that decade, doubling by the mid-80s, and doubling again since. The rises have affected both sexes and all classes, although children in the poorest households are three times as likely as wealthy ones to be affected.”*

In 2016, the British National Health Service issued prescriptions for 64.7 million items of antidepressants, a massive 108.5% increase on the 31 million antidepressants which pharmacies dispensed in 2006.

Shortly after *Feelbad Britain* was published, a wider international study, *The Spirit Level*, using cross-sectional analysis highlighted the "*pernicious effects that inequality has on societies: eroding trust, increasing anxiety and illness, (and) encouraging excessive consumption*".<sup>8</sup> It showed that for each of eleven different health and social problems: physical health, mental health, drug abuse, education, imprisonment, obesity, social mobility, trust and community life, violence, teenage pregnancies, and child well-being, outcomes are significantly worse in more unequal rich countries.

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<sup>7</sup> *Feelbad Britain*, <http://mikeprior.net/pdf/feelbad-britain.pdf>

<sup>8</sup> *The Spirit Level: Why More Equal Societies Almost Always Do Better*, K. Pickett and R. Wilkinson, London, 2009

Trends in inequality vary between country but, in general, throughout Europe and America there was a trend of decreasing inequality after WWII for thirty or so years with a trend of increasing inequality thereafter from around 1980. The impact that this has had on the eleven indicators examined by Pickett and Wilkinson across all these countries is very hard to sort out from all the other factors involved. But what *The Spirit Level* shows is that the key ethical underpinning of neoliberal dynamics, that greater economic inequality is acceptable, indeed necessary, as part of a general increase in economic wealth may in fact be a driver for increased social problems.

These problems are evident at the level of social organisation as much as at the level of individuals. Indeed as Margaret Thatcher so eloquently and truthfully put it in 1987, it is at this level, what she called 'society', that the key destruction reaped by neoliberalism takes place. The effective destruction of trade unions in many countries is the most obvious example of this but it extends through to many other areas of what Robert Putnam called 'social capital' in his 2000 book, *Bowling Alone*.<sup>9</sup> Putnam shows how Americans have become increasingly disconnected from family, friends, neighbours, and democratic structures and warns that their stock of 'social capital' – the very fabric of connections with each other – has plummeted, impoverishing lives and communities. This essay is focussed on Europe but it is clear that many of the issues raised by Putnam concerning the USA have relevance across here as well. In particular, it is hardly necessary to draw comparison between the 'wildness' and unpredictability of much European politics and the election of Donald Trump.

As much as any other component of social organisation, European political structures themselves have been decimated. Peter Mair's book, *Ruling the Void*,<sup>10</sup> is a comprehensive analysis of this decline. Its opening paragraph sets the stage:

*The age of party democracy has passed. Although the parties themselves remain, they have become so disconnected from the wider society, and pursue a form of competition that is so lacking in meaning, that they no longer seem capable of sustaining democracy in its present form.*

Mair catalogues how electoral turnout, party membership and general participation in political activity have all declined throughout Europe and he links this decline from the 1980s with the decline of wider social organisation:

*A tendency to dissipation and fragmentation also marks the broader organisational environment within which the classic mass parties used to nest. As workers' parties, or as religious parties, the mass organisations in Europe rarely stood on their own but constituted just the core element within a wider and more complex organizational network of trade unions, churches and so on. Beyond the socialist and religious parties, additional networks ... combined with political organisations to create a generalized pattern of social and political segmentation that helped root the parties in the society and to stabilize and distinguish their electorates. Over the past thirty years, however, these broader networks have been breaking up ... With the increasing individualization of society, traditional collective identities and organizational affiliations count for less, including those that once formed part of party-centred networks.*

The recent French elections provide a clear example of this decay. Initially in a Presidential contest then in succeeding parliamentary contests, a virtual unknown, Emmanuel Macron won decisive victories first over the far-right candidate, Marianne Le Pen, and then over all other groups with his newly formed 'party' En Marche winning 308 out of 577 seats with 42 seats won by candidates from the *Mouvement Democrate* (MoDem), headed by Francois Bayrou with which Macron's

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<sup>9</sup> *Bowling Alone: The Collapse and Revival of American Community*, R.D.Putnam, Simon & Schuster, New York, 2000

<sup>10</sup> *Ruling the Void: the Hollowing of Western Democracy*, P. Mair, Verso, London, 2013

movement is allied. The most humiliating defeat was for the French Socialist Party which went down to just 29 seats securing only 5.7 per cent of the vote. In the 2012 election after former president Socialist President Hollande came to power, the Socialist Party secured 280 seats. Le Pen's Fronte National was reduced to only 8 seats, though its leader, Le Pen, did gain a seat in a former coal-mining district in northern France. The other left group based on the social movement, La France Insoumise led by Jean-Luc Mélenchon, also did badly gaining just 17 seats. Macron's victory was, however, gained on the basis of a national turnout of only 42%, much the lowest of post-war French elections. In the Presidential election won by Macron, there were 20% abstentions and 10% deliberately spoiled voting-papers.

These elections were dominated in part by personalities and in part by the popular movements, often led by such personalities, which have come to replace parties in much current European politics. Often called 'parties' these lack most of the normal features associated with established political parties without much in the way of structure or indeed formal policies, certainly no clear process for the formation of policy nor for the election of leaders. They may not in fact have members as such; the Party for Freedom (PVV) in the Netherlands only has one member, its leader Geert Wilders. Le Pen's Fronte National, usually included in any list of these new formations may actually have suffered precisely because it did have many of the trappings of the traditional party.

The usual characterisation of these groups is that they are 'populist', a term which is used in widely different ways and with little attempt at definition. Essentially it means appealing to ordinary people and bypassing an established political elite. A recent attempt to characterise such groups has been made by David Goodhart in his book *The Road to Somewhere: The Populist Revolt and the Future of Politics*. In this he advances the idea of new social categories, the Anywheres and the Somewheres and he lists the populist groups as follows:

*First, the Mainstream: parties that can mount a challenge to Anywhere liberalism but are most appealing to decent populist Somewheres, and more mainstream voters generally, and do not have roots in the far right. These include UKIP in Britain; the Five Star Movement in Italy; the Danish Peoples' Party; Alternative für Deutschland in Germany; the True Finns; and three of the four governing parties (as of late 2016) in the Visegrad Group (the alliance of four Central European states)—the Law and Justice party in Poland, Fidesz in Hungary, and Smer in Slovakia (the Czech Republic has a populist, and popular, president in Milos Zeman but does not have a populist government). Second, the Anti-Islamists. Hostility to Islam is important to most European populists but some are overwhelmingly driven by it, and it has caused some groups to drop any traces of anti-semitism (if they had them) and often stress their support for homosexuality, female equality and free speech. Party of Freedom in the Netherlands is one of these, the Danish People's Party also has a strong anti-Islam focus as does Pegida the German-centred movement (though it is largely a street movement and attracts violent off-shoots). Next are the Reformed Far Right: parties which have roots in more extreme organisations, in some cases even neo-Nazi ones, but have reformed substantially and are keen to become 'clean' (or at least some of their factions are). Amongst these are the Fronte National in France, the Sweden Democrats, the Austrian Freedom Party and Vlaams Belang in Belgium. Finally, the Unreformed or Barely Reformed Far Right. Many of these parties or street movements, the unconstitutional populists, are overtly racist and white supremacist and generally support repatriation of non-natives: Jobbik in Hungary, Golden Dawn in Greece, Phalange in Spain, Kotleba in Slovakia.<sup>11</sup>*

Although published recently in 2017, Goodhart's list fails to include the two recent French arrivals, En Marche and France Insoumise, both of which would fit into his first category. He also puzzlingly omits Syriza in Greece largely responsible for the destruction of Pasok, the Greek Socialist Party, perhaps because it has been in power in Greece almost long enough to be counted as a traditional

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<sup>11</sup> *The Road to Somewhere: The Populist Revolt and the Future of Politics*, David Goodhart, C.Hurst, London, 2017

party. Goodhart makes the bold claim that “*Populism is the new socialism. Almost all European populist parties now have an overwhelmingly working class voter base and most have policies towards economics and globalisation that have more in common with the left than the right, or might better be described as statist/protectionist. Indeed, several of the big parties—including both UKIP and the Front National—have been dragged sharply to the left in recent years.*”

This claim accounts for the fact that the main victims of the shift in European politics have been the virtual extinction of once-great social democratic parties in France, Greece, Italy and the Netherlands whilst in Austria, Denmark, Spain, and Germany, they have been seriously reduced.

The one major European country which appears to run counter this rise of populist movements is the U.K. which in the June election, saw the two major parties, Conservative and Labour, win 82.5% of the national vote, a percentage increase of 15% since the previous election in 2015. Although Labour had the greatest share of this increase, 9.5%, the Conservatives led by the much-derided Teresa May, actually gained 5.5% more of the popular vote over 2015. The result of this swing under the British first-past-the-post system was that Labour gained 30 seats and the Conservatives lost 13, the balance being mainly losses by the Scottish Nationalists. The result is that Britain now has a hung Parliament with the Conservatives having no clear majority. However, underlying this headline are two important factors; first that the 15% was achieved by the effective destruction of the smaller British parties, notably UKIP and the Greens. Second, the results showed a major shift in the traditional class basis of the two parties in England with the biggest swings to the Conservatives in the constituencies with the biggest proportion of working-class voters as shown in Fig. 1.<sup>12</sup> The shift was particularly marked in constituencies with a mostly white working class

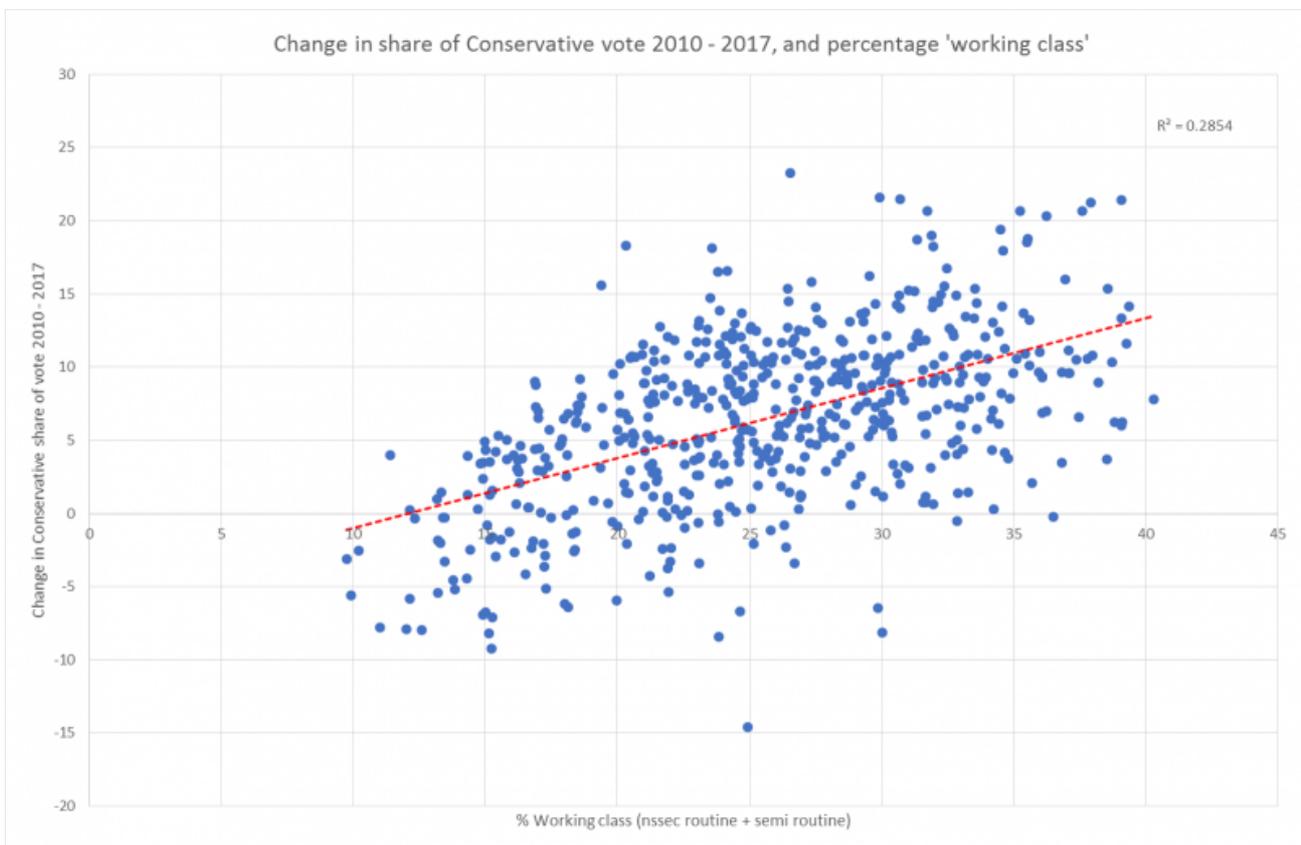


Fig 1: Change In Share Of Conservative Vote In Working Class Constituencies

<sup>12</sup> <http://www.newstatesman.com/politics/uk/2017/06/does-working-class-need-ask-its-labour-party-back>

Once staunch Labour strongholds in old mining districts such as South Yorkshire and North East England showed swings to the Tories of 15-20% with a few actually being won by them. It is not unreasonable to compare these swings to the gains made by the Front National in the old mining districts of northern France, once bastions of socialism, now the site of Marianne Le Pen's seat.

The British Labour Party is now in some respects similar to the various populist parties in that because of a change in party voting rules which allowed participation by a new class of 'supporter' as well as members proper. A rather eccentric left-winger was elected as its leader by the membership, despite the vehement opposition of most of its M.P.'s, backed a social movement called Momentum. This new leader, Jeremy Corbyn, seems to attract almost messianic support from many of the new, younger members of the party precisely because he is not part of the established political elite but is an honest, if limited, politician. On the other hand as shown in the figures, the northern working class appear to view him with suspicion as being a London smoothy and, despite losing seats overall, the Conservatives made significant advances in northern seats.

There is an odd, if perverse, similarity between Corbyn's success and that of Emmanuelle Macron in France despite the fact that in ideological terms they are wholly dissimilar. Macron achieved a stunning majority of almost 90% in Paris in the French Presidential elections. His En Marche movement achieved similar success in the Assembly elections at least inside the Périphérique Boulevard which marks the administrative boundary of Paris. Outside this boundary of 'official' Paris, in the poorer districts which were once called the 'red belt' round Paris, his vote dropped away and France Insoumise won seats though the voter turnout dropped down to below 30%. In the first round of the Presidential election, it was possible to walk from the Channel to Switzerland along the old, now defunct, coal and steel regions of France and from Spain to Italy through the départements in which the Fronte National came top even though in the second round, Macron decisively beat Le Pen.

Macron like Corbyn attracted huge crowds of adoring young voters at his rallies. Both are accomplished public speakers and able to present themselves as outside the normal elites of professional politics, even though this stretches the record for both of them; Macron having been Minister of Economy, Industry and Digital Affairs in 2014 until 2016 whilst Corbyn has been an M.P., albeit on the back-benches since 1983. Macron's political position is quite different to Corbyn's as he is very much a neoliberal wanting to water-down much of France protective labour law and reduce state benefits whilst Corbyn wants much the reverse being essentially a 1970s socialist whose core belief is greater state-participation in pretty much everything. However both have benefited hugely from the social category introduced by Goodhart, the Anywheres, young graduates who have moved to metropolitan areas to pursue careers often in the new digital sectors whilst Somewheres are less well-educated, often older people who have stayed near to their birthplace and have generally suffered either unemployment or stagnation in their local economies, often the old coal and steel regions. To these two, one can now add the new Austrian prime minister, Sebastian Kurz,

As illustrated by the huge ideological differences between these two, any attempt to generalise about where Europe is heading is hindered by the contradictions within the new populism. As Tolstoy wrote in the opening sentence of *Anna Kerenina*; *All happy families are alike; each unhappy family is unhappy in its own way* and this might be said to apply to the unhappy countries of the European Union. The social impact of neoliberalism compounding its economic impacts has produced a range of responses, each in their own way pulling apart the political structure of European countries but each, as Goodhart's somewhat haphazard classification illustrates, is pulling in rather different directions.

In eastern Europe, there has been steady increase in the importance of right-wing nationalist governments which has led in the case of Poland to its imposition of controls over the press to being questioned within the EU. The similar trends in Hungary led to the former Belgian Prime Minister and prominent current member of European Parliament, Guy Verhofstadt, taking to Twitter to exclaim "*With its current policies, Hungary would not have been allowed to join the E.U. in 2004.*" The

EU does have the power to suspend member states that offend against human rights but this draconian power has never come even close to being implemented. However, the refusal of the so-called Visegrad group (Poland, Hungary, Czech Republic and Slovakia) to participate in the refugee dispersal plan agreed in the summer of 2015, whereby EU member countries would relocate 160,000 refugees across the bloc, is causing strains. The decision is legally binding, however Poland and Hungary haven't taken in a single refugee between them, and they openly oppose the mandatory nature of the scheme. The Czech Republic, which holds elections in October, took in just 12 last year and none this year, with the government saying in June that it would withdraw from the scheme because of security concerns. Slovakia has relocated just 16 refugees out of the 902 it was supposed to take. The Visegrad Group has relocated 28 refugees in total out of an allocated combined quota of 11,069. It is possible that the European Commission will take action over this but just what form it would take is unclear.

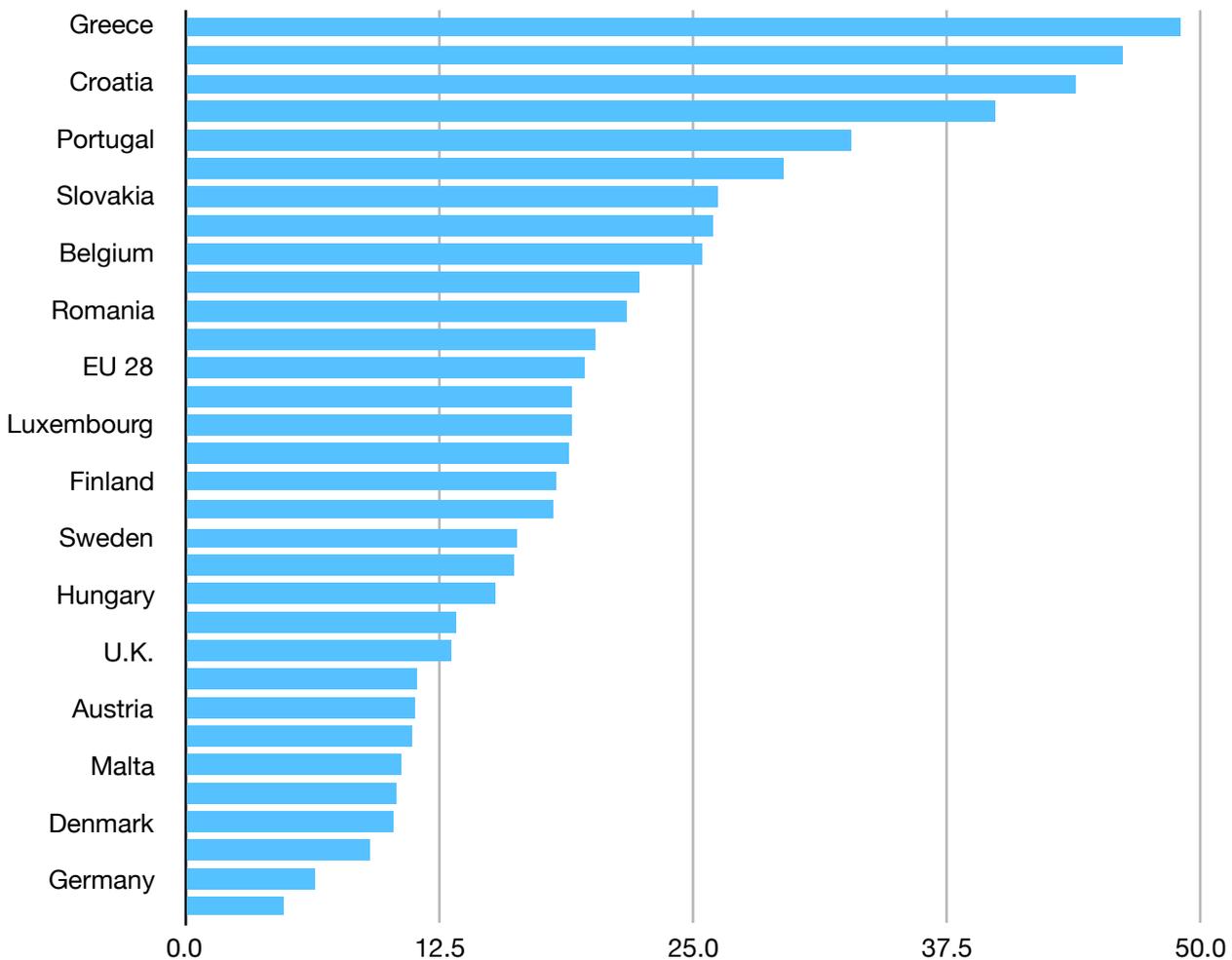


Fig 2: Youth Unemployment In European Union Countries, % Q4 2015

Source: Eurostat

Meanwhile another issue is pulling Europe apart: the continuing impact of the 2008 financial crisis and the austerity programmes imposed on many countries. Fig. 2 shows a key aspect of this, youth unemployment. It might, loosely, be thought that a country with more than a quarter of its young<sup>13</sup> unemployed is slowly dying and on this basis, Fig. 2 shows that all southern Europe including France cannot survive. Belgium and Slovakia also fall into this dismal camp but it is noticeable that the other countries of northern Europe, broadly, have much lower youth unemploy-

<sup>13</sup> In these statistics, defined as under 25 years old.

ment though only Germany is below 10% at 6.4% and the EU as a whole barely escapes below 20%. Comparable figures for the USA are 10% and for Japan, 4.9%.

The basis for this deep problem is the continuing impact of the 2008 financial crisis and the inability of Europe to pull out of the resulting economic depression. One factor in this, indeed the focus of the neoliberal thinking which still pervades the continent, is the high and in many cases increasing levels of public debt, reduction of which forms the centrepiece of the economic mindset of institutions such as the European Central Bank and, perhaps most important, of the German and French governments. In his opening speech, the new French Premier, Edouard Philippe, made it clear that debt reduction would form the centrepiece of his economic policies though what he spelt out remained just the same-old neoliberal nostrums of reducing state expenditure, reducing labour controls and lowering corporation tax. This fixation remains despite the almost universal opinion of independent economists that the austerity imposed by debt-reduction programmes is actually harmful.

Altogether there are five European nations whose debts are larger than their GDP, and 21 that have debts larger than the 60 per cent-of-GDP limit set out in the Maastricht Treaty, a limit which is, in principle, legally binding, amongst whose number is the supposedly virtuous Germany. Greece's public debt is, unsurprisingly, the highest in the EU — standing at 177 per cent of its GDP. Italy and Portugal are the next most indebted countries, with debts of 132 per cent and 129 per cent of national economic output respectively<sup>14</sup>, much the same bloc of countries slowly dying from levels of youth unemployment. The two others above 100% are Cyprus and the one northern European country in the group, Belgium. Spain and France hover in the high 90s.

Essentially one can see Europe as containing two unstable blocs; a group of eastern European states — the Visegrad group possibly plus Bulgaria and Romania — which have relatively low public debt and reasonably stable if not prosperous economies, which are resolutely opposed to accepting any significant numbers of refugees and which have nationalist and increasingly authoritarian governments. These countries have no intention of leaving the EU and they receive substantial direct financial benefit from membership. They are not, however in the eurozone apart from Slovakia. Then there is a southern bloc including Spain, Greece and Italy plus Portugal and Cyprus which have large and unstable public debts, very high youth unemployment and other negative economic indicators and have large populist political movements. They have significant anti-EU social movements. One of the key questions is whether France should be included in this group. All the economic and social indicators suggest that it should, particularly as its established political parties have been largely destroyed in the recent elections to be replaced by the now commonplace social movements. On the other hand, its newly elected government is firmly bound to EU membership.

To these groups, can be added the United Kingdom which, of course, has added its own brand of instability by actually deciding to leave the European Union.<sup>15</sup> The tortuous negotiations leading up to this so-called Brexit must be concluded by March, 2019 and there are no signs that the EU negotiators will offer the the U.K. anything other than a hard ride. A key reason for this is that there is a general fear that if the U.K. appears to be having a soft exit, it will spark other moves to leave particularly in Greece and Italy.

The future of Europe and the EU hinges around Germany which alone of the major EU countries appears to have a stable political system and a reasonably prosperous economy. Underpinning this political stability is the performance of the economy which, notably, runs a huge and increasing trade surpluses with the rest of the world including other EU countries. In May, 2017, alone the country had a surplus of €22.0 billion up from €20.7 billion in May, 2016. It is often noted in the southern bloc of depressed EU economies that their common currency with Germany prevents the

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<sup>14</sup> These figures are based on mid-July statistics

<sup>15</sup> This decision based on a referendum held in 2016 was discussed in *The Thinker*, 70, 2016

usual response to running trade deficits, currency devaluation, whilst Germany benefits worldwide from an under-valued euro.

The German Federal elections in September have altered the balance of political power with both the ruling conservative CDU/CSU and the social democratic SPD losing ground particularly to the populist Alliance for Germany, AfD, which took over 13% of the vote becoming the third-largest party in the Bundestag. The Greens and Die Linke, the radical left party, also made slight gains. This result does not threaten German stability though it does make forming a governing coalition difficult.

The German government now essentially runs the EU with its dominance enhanced by the election of an enthusiastic poodle, Emmanuelle Macron, following behind the redoubtable Chancellor, Angela Merkel wagging his neoliberal tail. This dominance is best expressed by the barely-concealed fact that Germany's Finance Minister, Wolfgang Schäuble, is the essential arbiter of Greece's fate with his dogged insistence that Greece follow an increasingly harsh austerity programme if it is to receive any further bailout funds, even though nearly all economists including the I.M.F believe this approach to be worse than useless. The fact is that allowing Greece to slowly dying protects German interests not least in ensuring that loans made to Greece, sometimes on a corrupt basis, by German institutions are protected.

The reassertion of the German-French axis which formed the original basis of the EU may yet prove the Achilles heel for German neoliberalism. If Macron fails to do anything about the dire state of the French economy and if the country descends into riotous semi-anarchy — the French do good riots — then Macron may prove difficult to put quietly to sleep.

So where does this leave the future of Europe? Most of the factors noted above will continue to fester.

The refugee crisis continues with tens of thousands attempting to leave Libya mostly for Italy where 93,000 have arrived in the first half of 2017. In addition, to the end of May, 1,244 refugees were known to have drowned joining Yohanna in unmarked graves.<sup>16</sup> However, the flood of refugees from the Middle East via Turkey has been stemmed by the EU bribing Turkey with some €6 billion in aid plus visa-free travel for Turkish citizens. Internal borders have been closed so that those who have arrived are contained in Greece and Italy which have become huge holding pens for more than hundreds of thousands of migrants, all hoping to receive permission to travel elsewhere, a process which can take years or result in deportation to Turkey. These controls may limit the impact of immigration in most of the EU though Austria recently announced that it may deploy its army along its border with Italy to stop 'illegal' crossing. On the other hand, Turkey is now home to as many as 3.25 million refugees mostly from Syria and it is unclear just how long it can contain the pressure of those who want to move on to Europe. In any event, the sealing of borders both around and inside the EU produces a kind of existential crisis of fear and suspicion which continues to poison much European politics.

The other issue which will certainly arise is another financial crisis with euro similar to 2008. The European banking sector is still riddled with problems particularly in the south. Greek banks are essentially broken whilst as recently as June this year, the Italian government is stepped in to wind up two failing lenders, Veneto Banca and Banca Popolare di Vicenza, and prevent a bank run, at a total cost which could rise to €17bn. This bill will be footed by the government despite EU rules forbidding this. Meanwhile the world's oldest bank, Monte dei Paschi di Siena, is struggling with bad debts which, over the entire Italian banking sector, are believed to total at least €360bn. In Spain, the Banco Popular had to be rescued in June by a forced sale to the larger Santander Bank for €1 whilst Portuguese banks are still in the recovery ward.

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<sup>16</sup> Yohanna was a young woman who drowned in a refugee boat in 2016, giving birth whilst drowning. Her name in her native Eritrean means Greetings.

Even in Germany, the once-mighty Deutsche Bank is still suffering from falling revenues and low profits after it had to recapitalise in 2016 in order to survive. It has incurred litigation charges of 15 billion euros since 2009 on extravagant bets and poor conduct including the sale of toxic mortgages and sham Russian trades and it is still involved in litigation over claims of alleged sanctions violations.

Financial crises tend to erupt in modern capitalism every dozen years or so as some unforeseen hiccup interrupts the piling up of bad loans in asset bubbles. Chinese banks and the associated housing bubble is one possibility and so is the collapse of the U.K. housing market on the back of the flood of low-cost mortgages financing a London property boom amidst the general chaos of Brexit. War between the U.S.A. and North Korea with the possible involvement of China could trigger a global tremor. Whatever its origins, there is little doubt that one of its consequences will be another crisis in the unstable eurozone with its uncorrected level of public debt and structural imbalances.

Meanwhile on the western fringe of Europe, the U.K. stumbles along in a slow-motion crisis of national and regional collapse as the protracted negotiations to set the terms of its departure from the EU limp towards their likely end in March, 2019.

## Morbid symptoms or rebirth

The problem with Gramsci's lovely phrase about morbid symptoms is to separate out what is just morbid and what is a sign of the new age. No problem as to where to put Trump and Orbán nor the anti-Islamism and rejection of refugees. But where to place Corbyn and Macron? Hard to see them as anything other than throwbacks to previous times, one from the great times of the welfare hegemony, the other from a lost age of neoliberalism. One can even see them tinged with a kind of nostalgia. But on the other hand many British socialists insist on seeing Corbyn as a sign of the new age.

For Gramsci, of course, with his necessarily limited historical perspective, the birth of the new had to mean a new socialist dawn similar to the one which had so recently for him blossomed in Russia. The concept of capitalist renewal, the formation of new hegemonies with alliances of different historic blocs was inconceivable. The 'rough beast', which Yeats foretold, had already arrived in the form of the fascism which had imprisoned him and, inevitably, would be displaced by some form of socialism. We know better now but it makes the task of foretelling the future harder.

The European-wide drift towards the 'leader' is not encouraging particularly as it coincides with the gradual disintegration of the long-standing European party system particularly on the left. It is possible to characterise some of these leaders as eccentrics, even buffoons, leading incoherent movements but then no one in Italy really took the *Fasci Rivoluzionari d'Azione Internazionalista* and its odd leader seriously when it was formed in 1914 though they did in 1922. This is not to predict that some new version of fascism is going to be the outcome of this hegemonic crisis but it does suggest that a new kind of political ordering is underway. Could some version of Gramsci's socialist vision be possible rather than another reordering of the capitalist system? Well, perhaps, but this does depend upon a version less dependent upon the old nostrums of state intervention in the economic apparatus of capitalism.

A personal view is that of all current British commentators, the closest to constructing such a new vision is George Monbiot who, as a review of his latest book, notes does detail "*considerable psychological and biological evidence for how the ethos of individual competition harms us all, running counter to our innate needs and instincts. Loneliness and distrust are not just the defining social problems of our age, but increasingly posing risks to our health.*"<sup>17</sup> The review goes on:

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<sup>17</sup> <https://www.theguardian.com/books/2017/sep/14/out-of-the-wreckage-george-monbiot-review>

*What this suggests, Monbiot argues, is that a new political story must privilege belonging above all. We need to feel we belong to a particular place and a particular community, with whom we can achieve common goals. We need to combat the epidemic of alienation with a new set of institutions, through which individuals can collectively shape their own lives and environments. Out of the Wreckage makes an impassioned and optimistic case for greater democracy in virtually all areas of life, from global to local, kicking big money out of politics in the process. At the same time, Monbiot's intuition regarding "belonging" resonates with the present political mood. Was it not a desire for belonging that drove much of the Brexit vote, or at least a sense of not belonging to Brussels?*

This is not a new argument, back in the 1970s, some of us argued that increased workers' control was the way forward in the economic sphere rather than increased nationalisation. Monbiot certainly chimes in with Goodheart's analysis of the Somewheres and the Nowheres. The problem is that the Nowheres who shaped the election victory of Macron and the electoral revival of Labour in May this year are not very clearly part of this narrative.

Perhaps the defining morbid symptom of our age is the increasingly violent climate born of greenhouse gas emissions. Huge hurricanes batter the Caribbean and Florida whilst wild-fires devastate California and southern Europe, both subject to drought and record temperatures which in Spain hit over 47<sup>o</sup> this year. Mad weather and eccentric leaders are not a good sign for the future.

Perhaps the best hope is to sing along with Diana Jones:<sup>18</sup>

*Better times will come, better days will shine,  
Long nights be through, love again be mine.*

*Dollars to spend, warm winds to blow,  
Children be fed and good news to know.*

*Boys will be home, the girls safe in bed,  
No wars to win and kind words be said.*

*Better times will come, better days will shine,  
Long nights be through, love again be mine.*

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<sup>18</sup> <https://www.youtube.com/watch?v=bJZwicIQFKc>